GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

I&I Department – Providing State Government Guarantee for the loans to be obtained by APMB for (3) green field port projects Ramayapatnam, Bhavanapadu & Machilipatnam to an extent of Rs.8,741.00 crores - Orders – Issued.

INFRASTRUCTURE AND INVESTMENTS (PORTS) DEPARTMENT

G.O.Ms.No.2 Dated:10.03.2022

Read the following:

1) G.O. Ms. No.2, I&I (PORTS -I) Department dated 15.06.2020
2) G.O. Ms. No.8, I&I (PORTS -I) Department dated 17.08.2021
3) G.O. Ms. No 9, I&I (PORTS -I) Department dated 17.08.2021
4) From the Chief Executive Officer, Letter No.91/APMB/2021, dt 08-9-2021

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O R D E R:

In the references 1st to 3rd read above, the Government of Andhra Pradesh have decided to develop (3) green field port projects Ramayapatnam in Prakasham District, Bhavanapadu in Srikakulam District & Machilipatnam in Krishna District on land lord model (LLM).

2. In the reference 4th read above, the Chief Executive Officer, APMB has submitted that the total financial outlay is Rs.13,054 Cr with debt of Rs.8,741.00 Cr and equity of Rs.4,313.00 Cr. The Summary of the financial outlay port wise:

Rs. In Crs.

Sl. No	Name of financial source	Ramaypatnam	Machilipatnam	Bhavanapadu	Total
1.	Equity	1,457	1,547	1,309	4,313
2.	Debt	2,079	3,609	3,053	8,741
	Outlay	3,536	5,156	4,362	13,054

3. The CEO, APMB has submitted that out of the total equity requirement of Rs.4,313 Cr., the APMB needs to infuse the upfront equity of 50% i.e., Rs.2,157 Cr for raising the requisite debt., to initiate the project development costs till the first 18 months from the start of the construction. Lenders for the respective ports shall release their portion of debt (as per the project debt: equity ratio), which shall take care of fund requirement of respective ports for 18 months. In this regard, APMB is raising Rs.1,500.00 Cr by securitizing its future cashflows accrued from revenue shares obtained from PPP ports. Stating the above, the CEO, APMB has requested the Government to issue necessary orders providing the State Government Guarantee for the loans to be obtained for implementing the three (3) green field port projects Ramayapatnam, Bhavanapadu & Machilipatnam to an extent of Rs.8,741 crores.

4. Government after careful examination of the matter, hereby approved to provide State Government Guarantee, for the loans to be obtained by Andhra Pradesh Maritime Board (APMB) for implementing the three (3) green field port projects Ramayapatnam, Bhavanapadu & Machilipatnam to an extent of Rs.8,741.00 crores.

P.T.O.,

5. The Chief Executive Officer, Andhra Pradesh Maritime Board (APMB) shall take necessary action, accordingly.

6. This order issues with the concurrence of Finance Department – vide their U.O.No.FIN01-FMU0MISC/114/2021-FMU-IIEIC, dated 04.02.2022.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Chief Executive Officer, Andhra Pradesh Maritime Board (APMB)
Copy to:
The Prl. Accountant General (Audit.I) A.P.,Vijayawada
The Director, Works & Accounts, AP
The OSD to Special Chief Secretary to Hon'ble CM
The OSD to Hon'ble Minister (I&I) Dept.
The Finance (FMU-ENERGY&I&I) Dept.
The GA(Cabinet) Dept., Secretariat, AP., Velagapudi
The PS to Special Chief Secretary to Govt.I&I Dept.
Sf/Sc (INI01-PORT/88/2021-PORT-1655858)

//FORWARDED :: BY ORDER//

SECTION OFFICER